

November 2, 2017
REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS – CITY HALL
5:45 p.m.

Present: Mayor Barbara G. Volk, Mayor Pro Tem Steve Caraker and Council Members: Jeff Miller, Jerry Smith, and Ron Stephens

Staff Present: City Manager John F. Connet, City Clerk Tammie Drake, City Attorney Samuel H. Fritschner, Development Assistance Director Susan Frady, Engineering Director Brent Detwiler, Human Resources Director Jennifer Harrell, Fire Chief Joseph Vindigni, Pam Ludwig, Public Works Director Tom Wooten

1. Call to Order: Mayor Volk called the regular meeting to order at 5:45 p.m. and welcomed those in attendance. A quorum was established with five members in attendance.

2. Invocation and Pledge of Allegiance: A moment of silence for prayer was followed by the Pledge of Allegiance to the Flag.

3. Public Comment Time: *Up to 15 minutes is reserved for comments from the public for items not listed on the agenda.* Mayor Volk asked speakers to limit remarks to two minutes per person.

Stephanie Laughter Suldano, spoke on behalf of Martha Grose, 1102 Kanuga Rd., and her parents Jon & Linda Laughter, 842 Kanuga Rd. These families oppose the Kanuga Road widening project stating it does not meet the criteria for the proposed improvements.

Bob Papes, new member of Business Advisory Committee and member of the Chamber of Commerce, spoke about the Business Accelerator Program that teaches skills and best business practices. The program will have significant, positive impact on economy for Chamber and non-Chamber members. He asked the Council to promote the program.

Connie Knight, Artscape Banner Project, thanked the Council for approving the project, for the necessary hardware for the banners and the installation of the hardware. She also thanked staff. She relayed they are getting sponsors for next year.

Ken Fitch, 1046 Patton St., stated neighborhoods are in turmoil because of potential impacts of the proposed road widening. He stated the projects have been in the works for some time and asked where the projects originated. He expressed concerns about bike lanes, and how we may be able to change the process going forward.

Cindy Ward, 1950 Kanuga Road, has worked to educate the neighborhood and community about the Kanuga Road widening project. She presented a petition with 1,174 signatures, stating 177 of those will be directly impacted. She stated they want an opportunity to discuss alternatives and asked the Council to help stop the project.

Judith Sheehan, 1034 Kanuga Road, stated she is frustrated about the Kanuga Road widening project. She counted 26 mature trees that will be cut if only ten feet is taken. She asked the Council to keep this in mind when making a decision.

Richard Freudenberger, 255 Warren Lane, stated Henderson County recently introduced a moratorium on development so road widening should be a moot point. He expects this will have a significant impact for travel/tourism and asked the Council to consider this when making a recommendation on the project.

4. Consideration of Agenda:

Addition to Consent Agenda:

5J: Consideration of a Request for the Use of Berkeley Mills Park for the Mud Run benefitting Hands On!

Deletion from Consent Agenda:

D. Consideration of Approval of Wastewater Master Plan Engineering Contract

Addition to Regular Agenda:

6D. Recognition of Susan Frady – Land-of-Sky Regional Council Award

Mayor Pro Tem Caraker moved approval of the agenda with the noted changes. A unanimous vote of the Council followed. Motion carried.

5. Consideration of Consent Agenda: *Consent agenda items are considered routine, non-controversial in nature and are considered and disposed of through a singular motion and vote.*

A. Consideration of Minutes: October 6, 2017 Regular Meeting**B. Consideration of Budget Amendments:** Ms. Brian Pahle, Assistant to the City Manager, presented the following:

Fund 21, Increase of \$3,450, An amendment to commit a portion of Seventh Avenue fund balance for the organic garden expense account. This account reflects funding committed to the organic garden on Seventh Avenue and needs to be committed in this way in order to restrict the funds. Additionally, it is expected that \$200 will be needed for bank service charges for the remainder of the year.

Funds 10, 67, \$1,200, an amendment to move the stormwater permit revenues from the General Fund to the Stormwater Fund. This is a technical correction of the budget.

Funds 410, 32, 421: Reprioritization of funds initially designated for SCADA System Improvements project. SCADA will now be updated through operating funds on a recurring basis. Re-designated funds will be used to implement projects including the water lines associated with the North Main Street Sidewalk Improvement, Highway 280 Water Line Extension, and other items in Fund 60 (Water & Sewer) previously out of balance.

Funds 60, 460: A budget amendment to provide funding for the second phase of the wastewater master plan process. This second phase is estimated to cost an additional \$372,000.

C. Consideration of a Resolution of Intent to Permanently Close an Unopened, Unnamed Alley Located off Kensington Road: Mrs. Frady presented a petition from Robert Baumann, to close an unnamed alley located on PINs 9569426880 and 9569426834. This unnamed alley is located off Kensington Road. She presented a resolution declaring the City's intent to close the alley setting the date for the public hearing as January 4, 2018.

Resolution #17-1180

RESOLUTION OF INTENT

A resolution declaring the intention of the City of Hendersonville City Council to consider closing a portion of an unopened and unimproved Alley for an unnamed alley off Kensington Road located on PINs 9569426880 and 9569426834

WHEREAS, NC General Statute (G.S.) 160A-299 authorizes the City Council to close public streets and alleys, and

WHEREAS, Robert Baumann, has petitioned the Council of the City of Hendersonville to close a portion of an unopened and unimproved alley off of Kensington Road located on PINs 9569426880 and 9569840372, and

WHEREAS, the City Council considers it advisable to conduct a public hearing for the purpose of giving consideration to the closing of a portion of an unopened and unimproved alley off Kensington Road located on PINs 9569426880 and 9569426834.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville:

1. A meeting will be held at 5:45 p.m. on the fourth day of January, 2018, in the Council Chambers of City Hall to consider closing a portion of an unopened and unimproved alley off of Kensington Road located on PIN numbers 9569426880 and 9569426834.
2. The City Clerk is hereby directed to publish this Resolution of Intent once a week for four successive weeks.
3. The City Clerk is further directed to transmit by registered or certified mail to each owner of property abutting upon that portion of said street a copy of the Resolution of Intent.
4. The City Clerk is further directed to cause adequate notices of the Resolution of Intent and the scheduled public hearing to be posted as required by G.S. 160A-299.

Adopted by the City Council at a meeting held on the second day of November, 2017.

/s/Barbara G. Volk, Mayor

Attest: /s/Tammie K. Drake, City Clerk

~~D. Consideration of Approval of Wastewater Master Plan Engineering Contract:~~**E. Consideration of an Adoption of Standard Policies and Plans Associated with Community Development Block Grant (CDBG) Applications:** Mr. Lew Holloway requested Council's consideration and re-adoption of certain plans in furtherance of CDBG applications.**CITY OF HENDERSONVILLE****RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN****UNDER SECTION 104(d) OF THE HOUSING & COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED**

WHEREAS, the City of Hendersonville anticipates award of 2017 Downtown Redevelopment Fund-Economic Development funds; and

WHEREAS, the City of Hendersonville is required to adopt a Residential Anti-Displacement and Relocation Assistance Plan; and

WHEREAS, the purpose of this plan is to minimize residential displacement and to provide relocation assistance to displaced residents in a timely manner; and

NOW, THEREFORE, BE IT RESOLVED that the following constitutes the Residential Anti-Displacement and Relocation Assistance Plan for the City of Hendersonville:

The City of Hendersonville will replace all occupied and vacant occupiable low/moderate income dwelling units demolished or converted to a use other than low/moderate income housing as a direct result of activities assisted with funds provided under the Housing & Community Development Act of 1974, as amended, as described in 24 CFR 570.606 (b) (1).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the City will make public the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate income dwelling unit for at least 10 years from the date of initial occupancy.

The City of Hendersonville will provide relocation assistance, as described in 570.606 (b) (2), to each low/moderate income household displaced by demolition of housing or by the conversion of a low/moderate income dwelling to another use as a direct result of assisted activities.

Adopted this second day of November.

/s/Barbara G. Volk, Mayor

ATTEST: /s/Tammie K. Drake, MMC, Clerk

**LOCAL ECONOMIC BENEFIT FOR LOW AND VERY LOW
INCOME PERSONS (SECTION 3) PLAN
CITY OF HENDERSONVILLE 2017 DOWNTOWN REDEVELOPMENT
ECONOMIC DEVELOPMENT FUNDS**

To insure that to the greatest extent possible contracts for work are awarded to business concerns located or owned in substantial part by persons residing in the Section 3 covered area, as required by Section 3 of the Housing and Urban Development Act of 1968, the City of Hendersonville has developed and hereby adopts the following plan:

1. This Section 3 plan shall apply to services and needed in connection with the grant including but not limited to businesses in the fields of planning, consulting, design, building construction/renovation, maintenance and repair, etc.
2. This Section 3 covered project area for the purpose of this grant shall include the City of Hendersonville and portions of immediately adjacent counties.
3. When in need of a service, the City will identify suppliers, contractors or subcontractors located in the Section 3 area. Resources for this identification shall include local directories and Small Business Administration local offices. Word of mouth recommendation shall also be used as a source.
4. The City will include this Section 3 clause in all contracts executed under this CDBG Program. Where necessary, listings from any agency noted in No. 3 above deemed shall be included as well as sources of subcontracts and suppliers.
5. The prime contractor selected for major public works facility or public construction work will be required to submit a Section 3 Plan that will outline his/her work needs in connection with the project. Should a need exist to hire any additional personnel, the Henderson County Employment Security Commission shall be notified and referred to the contractor.
6. Each contract for housing rehabilitation under the program, as applicable, for jobs having contracts in excess of \$100,000 shall be required to submit a Section 3 Plan. This Plan will be maintained on file in the grant office and shall be updated from time to time or as the grant staff may deem necessary.

Adopted this second day of November 2017.

/s/Barbara G. Volk, Mayor

ATTEST: /s/Tammie K. Drake, MMC, City Clerk

**EQUAL OPPORTUNITY EMPLOYMENT PLAN
CITY OF HENDERSONVILLE 2017 DOWNTOWN REDEVELOPMENT
ECONOMIC DEVELOPMENT FUNDS**

The City of Hendersonville maintains the policy of providing equal employment opportunities for all persons regardless of race, color, religion, sex, national origin, handicap, age political affiliation, or any other non-merit factor, except where religion, sex, national origin or age are bona fide occupation qualifications for employment.

In furtherance of this policy, the City of Hendersonville prohibits any retaliatory action of any kind taken by any employee of the City against any other employee or applicant for employment because that person made a charge, testified, assisted or participated in any manner in a hearing, proceeding or investigation of employment discrimination.

The City of Hendersonville shall strive for greater utilization of all persons by identifying previously underutilized groups in the work force, such as minorities, women, and the handicapped, and making special efforts toward their recruitment, selection, development, and upward mobility and any other term, condition, or privilege of employment.

Responsibility for implementing equal opportunities and Affirmative Action measures is hereby assigned to the City Manager and/or other persons designated by the City Council to assist in the implementation of this policy statement.

The City of Hendersonville shall develop a self-evaluation mechanism to provide for periodic examination and evaluation. Periodic reports as requested on the progress of Equal Employment Opportunity and Affirmative Action will be presented to the City Council by the City Manager.

The City of Hendersonville is committed to this policy and is aware that with its implementation, the City will receive positive benefits through the greater utilization and development of all human resources.

Adopted this second day of November 2017.

/s/Barbara G. Volk, Mayor

ATTEST: /s/Tammie K. Drake, MMC, City Clerk

Resolution #17-1181

RESOLUTION FOR THE CITY OF HENDERSONVILLE
PROCUREMENT PLAN
DOWNTOWN REDEVELOPMENT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, the City of Hendersonville is participating in the Downtown Redevelopment Fund (DRF), Community Development Block Grant Program (CDBG), under the Housing and Community Development Act of 1974 as administered through the North Carolina Department of Commerce; and,

WHEREAS, a Procurement Policy is required for the City’s Downtown Redevelopment Fund project;

NOW, THEREFORE BE IT RESOLVED, that to accomplish the above, the City Council hereby adopts the attached City of Hendersonville Purchasing Policy to be used throughout the implementation of this Downtown Redevelopment Fund (CDBG) project.

/s/Barbara G. Volk, Mayor

ATTEST: /s/Tammie K. Drake, MMC, City Clerk

CITY OF HENDERSONVILLE
CITIZEN PARTICIPATION PLAN
2017 Downtown Redevelopment Economic Development Funds

This plan describes how the City of Hendersonville will involve citizens in the planning, implementation and assessment of the Downtown Redevelopment Fund (CDBG) program. The funds must be used for projects which benefit low and moderate-income persons and aids in the elimination and prevention of slums and blight. The program is intended to assist governments in understanding neighborhood improvement programs. The regulations give ultimate responsibility for the design and implementation of the program to local elected officials and also requires that citizens be given an opportunity to serve in a key advisory role to these elected officials.

SCOPE OF CITIZEN PARTICIPATION

Citizens will be involved in all stages of the DRF program, including program implementation, assessment of performance and design of changes in the Citizen Participation Plan. There will be three (3) general mechanisms for their involvement:

1. To serve as an advisory committee to the project;
2. To attend or hold public hearings or community meetings; and
3. To provide individual citizen efforts in the form of comments, complaints or inquiries submitted directly to the Program Administrators or designated Town official.

PROGRAM IMPLEMENTATION

Citizen participation in program implementation will occur primarily through consultation with the City of Hendersonville. The City will be asked to review and comment on specific guidelines for approved projects submitted via the Downtown Main Street and Seventh Avenue Advisory Committees. They will also meet to review any program amendments, budget revisions and program modifications submitted via the Downtown Main Street and Seventh Avenue Advisory Committees. All such changes will be discussed with the City of Hendersonville and their comments considered prior to taking action. If program amendments require approval from the North Carolina Department of Commerce, a public hearing shall be held specifically on the amendment. Citizens may also be involved in implementation of projects specifically requiring citizen participation, such as self-help projects. Their roles will be defined as the project develops. Technical assistance will be available as needed.

PROGRAM ASSESSMENT

Program assessment activities by citizens will occur in a variety of ways. A performance hearing will be held thirty to sixty (30 to 60) days prior to the start of planning for the next program year. The Program Administrator will be asked to provide citizen commentary for the Grantee Performance Report.

As a part of the orientation to the program offered at the public hearing, citizens will be invited to submit comments on all aspects of program performance through the program year. Comments should be submitted in writing to City Manager John Connet. He will respond in writing within ten (10) days. If the response is unsatisfactory, the complainant should write directly to Mayor Barbara Volk. She shall respond within ten (10) days.

If the citizen is still dissatisfied, he/she should write to North Carolina Department of Commerce, Rural Development Division, 4346 Mail Service Center, Raleigh, North Carolina 27699-4346, Attention: Program Representative, requesting an investigation of the problem. Program staff will also be available during normal business hours to respond to any citizen inquiries or complaints.

The Citizen Participation Plan will be subject to annual review and proposed revision, to occur in the period between the performance hearing and the public hearing on the subsequent year's application.

TECHNICAL ASSISTANCE

Technical Assistance will be provided to citizen organizations and groups of low/moderate income persons or target area residents upon request to the City of Hendersonville. Such assistance will support citizen efforts to develop proposals, define policy and organize for the implementation of the program. It is expected that such assistance will be provided directly to the citizens in response to their request. Assistance could be provided in the form of local presentations, informational handouts, and research of a specific issue or other short-term efforts.

PUBLIC INFORMATION

The City of Hendersonville will also undertake public information efforts to promote citizen participation. These efforts will include the following:

1. Public Notice of all Public Hearings will be published in the non-legal section of the local newspaper at least ten (10) days before the scheduled hearing. These notices will indicate the date, time, location and topics to be considered. These notices will also be made available in the form of press releases, as a public service announcement to local radio stations and will be provided to churches within the target area of distribution.
2. Orientation Information will be provided at the first public hearing. The Program Administrator(s) will make a presentation which covers: (a) the total amount of CDBG funds available and the competitive basis for award; (b) the range of eligible activities; (c) the planning process and the schedule of meetings and hearings; (d) the role of citizens in the program and (e) a summary of other program requirements, such as the environmental policies, fair housing provisions and contracting procedures.
3. A Public File containing program documentation will be available for review at the City Hall during normal business hours. Included will be copies of the Application, Environmental Review Record, the Citizen Participation Plan and the Annual Performance Report. Other program documents are also available for citizen review on request at the City Hall, consistent with applicable State and local laws regarding personal privacy and obligations of confidentiality.
4. Public Hearings an interpreter will be provided for all non-English speaking individuals and/or deaf individuals.

ADOPTED, this the second day of November, 2017.

/s/Barbara G. Volk, Mayor

Attest: /s/Tammie K. Drake, City Clerk

Providing Meaningful Communication with Persons with Limited English Proficiency City of Hendersonville 2017

The purpose of this Policy and Plan is to ensure compliance with Title VI of the Civil Rights Act of 1964, and other applicable federal and state laws and their implementing regulations with respect to persons with limited English proficiency (LEP). Title VI of the Civil Rights Act of 1964 prohibits discrimination based on the ground of race, color or national origin by any entity receiving federal financial assistance. Administrative methods or procedures, which have the effect of subjecting individuals to discrimination or defeating the objectives of these regulations, are prohibited.

POLICY: In order to avoid discrimination on the grounds of national origin, all programs or activities administered by the City of Hendersonville will take reasonable steps to ensure that persons with Limited English Proficiency (LEP) have meaningful access and an equal opportunity to participate in benefits and services for which such persons qualify. This Policy defines the responsibilities the agency has to ensure LEP individuals can communicate effectively.

DEFINITIONS: Limited English Proficient (LEP) individual – Any prospective, potential, or actual recipient of benefits or services from the agency who cannot speak, read, write or understand the English language at a level that permits them to interact effectively with health care providers and social service agencies.

Vital Documents – These forms include, but are not limited to, applications, consent forms, all compliance plans, bid documents, fair housing information, citizen participation plans, letters containing important information regarding participation in a program; notices pertaining to the reduction, denial, or termination of services or benefits, the right to appeal such actions, or that require a response from beneficiary notices advising LEP persons of the availability of free language assistance, and other outreach materials.

Title VI Compliance Officer: The person or persons responsible for administering compliance with the Title VI LEP policies.

Substantial number of LEP: 5% or 1,000 people, whichever is smaller, are potential applicants or recipients of the agency and speak a primary language other than English and have limited English proficiency.

PROCEDURES:

1. **IDENTIFYING LEP PERSONS AND THEIR LANGUAGE:** The City of Hendersonville will promptly identify the language and communication needs of the LEP person. Staff will use a language identification card (or "I speak cards," provided by Community Investment and Assistance (CI)) and LEP posters to determine the language. In addition, when records are kept of past interactions with individuals or family members, the language used to communicate with the LEP person will be included as part of the record.

2. OBTAINING A QUALIFIED INTEPRETER: List the current name, office telephone number, office address and email address of the Title VI compliance officers:

Jennifer Harrell, Human Resources Director
City of Hendersonville
145 Fifth Avenue East
Hendersonville, NC 28792
Email: jharrell@hvlnc.gov
Phone: (828)697-3003
Fax: (828)697-8645

(Note: The agency must notify the CI Compliance Office immediately of changes in name or contact information for the Title VI compliance officer.)

Check all methods that will be used:

☐ Maintaining an accurate and current list showing the language, phone number and hours of availability of bilingual staff:

☒ Contacting the appropriate bilingual staff member to interpret, in the event that an interpreter is needed, if an employee who speaks the needed language is available and is qualified to interpret;

☒ Obtaining an outside interpreter if a bilingual staff or staff interpreter is not available or does not speak the needed language.

Pisgah Legal Services, 440 S. Church St. Hendersonville NC (828) 692-7622

☐ Other (describe):

All staff will be provided notice of this policy and procedure, and staff that may have direct contact with LEP individuals will be trained in effective communication techniques, including the effective use of an interpreter.

Some LEP persons may prefer or request to use a family member or friend as an interpreter. However, family members or friends of the LEP person will not be used as interpreters unless specifically requested by that individual and after the LEP person has understood that an offer of an interpreter at no charge to the person has been made by the facility. Such an offer and the response will be documented in the person's file. If the LEP person chooses to use a family member or friend as an interpreter, issues of competency of interpretation, confidentiality, privacy, and conflict of interest should be considered. If the family member or friend is not competent or appropriate for any of these reasons, competent interpreter services will be provided to the LEP person.

Children and other residents will not be used to interpret, in order to ensure confidentiality of information and accurate communication.

3. PROVIDING WRITTEN TRANSLATIONS

i. The City of Hendersonville will set benchmarks for translation of vital documents into additional languages. (please ensure to keep records of those documents that apply to your agency)

ii. When translation of vital documents is needed, the City of Hendersonville will submit documents for translation into frequently-encountered languages.

iii. Facilities will provide translation of other written materials, if needed, as well as written notice of the availability of translation, free of charge, for LEP individuals.

4. PROVIDING NOTICE TO LEP PERSONS

The City of Hendersonville will inform LEP persons of the availability of language assistance, free of charge, by providing written notice in languages LEP persons will understand. Example: The notification will include, in the primary language of the applicant/recipient, the following language: IMPORTANT: IF YOU NEED HELP IN READING THIS, ASK THE AGENCY FOR AN INTERPRETER TO HELP. AN INTERPRETER IS AVAILABLE FREE OF CHARGE.

All interpreters, translators and other aids needed to comply with this policy shall be provided without cost to the person being served, and individuals and their families will be informed of the availability of such assistance free of charge.

At a minimum, notices and signs will be posted and provided in intake areas and other points of entry, including but not limited to the main lobbies, waiting rooms, etc.

Mail room in City Hall and break room in City Operations building.

Notification will also be provided through one or more of the following: outreach documents, telephone voice mail menus, local newspapers, radio and television stations, and/or community-based organizations

5. MONITORING LANGUAGE NEEDS AND IMPLEMENTATION

On an ongoing basis, The City of Hendersonville will assess changes in demographics, types of services or other needs that may require reevaluation of this policy and its procedures. In addition, The City of Hendersonville will regularly assess the efficacy of these procedures, including but not limited to mechanisms for securing interpreter services, complaints filed by LEP persons, feedback from residents and community organizations, etc.

I. Compliance Procedures, Reporting and Monitoring

A. Reporting: The agency will complete an annual compliance report and send this report to CI. (Format will be supplied by CI)

B. Monitoring: The agency will complete a self-monitoring report on a quarterly basis, using a standardized reporting system proposed by the local government. These reports will be maintained and stored by the Title VI Compliance Officer and will be provided to the CI upon request.

The agency will cooperate, when requested, with special review by the CI.

II. Applicant/Recipient Complaints of Discriminatory Treatment

A. Complaints: The agency will provide assistance to LEP individuals who do not speak or write in English if they indicate that they would like to file a complaint. A complaint will be filed in writing, contain the name and address of the person filing it or his/her designee and briefly describe the alleged violation of this policy. The form can be found at <http://www.nccommerce.com/rd/state-cdbg/forms-resources/compliance-plans-and-templates/limited-english-proficiency>.

The agency will maintain records of any complaints filed, the date of filing, actions taken and resolution.

The agency will notify the appropriate section within CI of complaints filed, the date of filing, actions taken and resolution. This information will be provided within 30 days of resolution.

B. Resolution of Matter: If the matter cannot be resolved by informal means, the individual will be informed of his or her right to appeal further to CI. This notice will be provided in the primary language of the individual with Limited English Proficiency.

The CI Compliance Office will conduct an investigation of the allegations of the complaint. The investigation will afford all interested persons and their representatives, if any, an opportunity to submit evidence relevant to the complaint.

The investigation will not exceed 30 days, absent a 15-day extension for extenuating circumstances.

If the investigation indicates a failure to comply with the Act, the local unit of government, agency Director or his/her designee will so inform the recipient and the matter will be resolved by informal means whenever possible within 60 days.

If the matter cannot be resolved by informal means, then the individual will be informed of his or her right to appeal further to the Department of Justice. This notice will be provided in the primary language of the individual with Limited English Proficiency.

If not resolved by CI, then complaint will be forwarded to Department of Justice (DOJ), Department of Housing and Urban Development (HUD) Field Office.

SUBMITTED AND ADOPTED BY:

/s/Barbara G. Volk, Mayor

ATTEST: /s/ Tammie K. Drake, MMC, City Clerk

F. Consideration of Request to Waive Penalties for Late Payments During the Holidays:

Finance Director Lisa White requested City Council waive the \$15 late fee and approve the non-disconnection of utilities due to non-payment during the month of December in order to assist people in need during the holiday season. She provided some history of how and when late fees were assessed.

G. Consideration of a Petition for Annexation from Stephen Parker for Property Located Off Old Spartanburg Road:

Mrs. Frady reported the City received a petition from Stephen Parker for the contiguous annexation of parcel 9578-42-8279 containing 0.421 acres located on Old Spartanburg Road. This annexation application is related to a sewer service request. She presented the Clerk's Certificate of Sufficiency finding the petition is valid. The next step in the annexation process is to accept the Clerk's certificate and set a date for the public hearing on the question of adoption of an ordinance of annexation.

H. Consideration of the Justification for the Sole Source Purchase of a Pedestrian Bridge for the N. Main Street Sidewalk Project:

Mr. Detwiler reported the N. Main Street sidewalk Improvement project involves the installation of a pedestrian bridge over Mud Creek. The City has installed several pedestrian bridges through the years as part of greenway and sidewalk projects. The pedestrian bridges were often purchased directly from the manufacturer, Contech, in order to assure that there is standardization among all of the City-owned and maintained bridges.

Mr. Detwiler explained NCGS 143-129(e) authorizes exceptions to the formal bid procedures. NCGS 143-129(e)(6) allows for purchases of apparatus, supplies, materials, or equipment to be purchasing using sole-source exception when: (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration ... governing board of a political subdivision of the State shall approve the purchases listed in the preceding sentence prior to the award of the contract. In this case staff is requesting to continue to standardize City-owned and maintained pedestrian bridges by requesting Council approve the sole source purchase of a pedestrian bridge from Contech. He provided a quote which has not been finalized. He reported staff is working with the manufacturer to finalize the design.

I. Consideration of a Capital Project Ordinance for the Highway 280 Water Line Extension

Project: Mr. Adam Murr reported the City plans to expand water lines on Highway 280, in accordance with Master Plans, to provide increased fire protection and support residential development in that area. The Water and Sewer Department will be working with CriTek Engineering Group, P.C. on the project. CitTek Engineering will provide engineer field surveying, utility location, property research, and mapping for the project area. He provided a capital project ordinance for Council's consideration.

Ordinance #17-1182

CAPITAL PROJECT ORDINANCE FOR THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF THE HIGHWAY 280 WATER LINE EXTENSION PROJECT

BE IT ORDAINED by the Governing Board of the City of Hendersonville, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized is a City water line extension project described as the Highway 280 Water Line Extension Project.

Section 2: The following amounts are appropriated for the project:

Section 3: The following revenues are anticipated to be available via transfers from the SCADA Systems Improvement Fund for project expenses:

Section 4: The Finance Director is hereby directed to maintain within the capital project fund sufficient specific detailed accounting records to satisfy the disclosure requirements of all the contractual agreements, if applicable.

Section 5: Funds may be advanced from the Water and Sewer Fund as necessary for the purpose of making payments as due. Reimbursement requests shall be made in an orderly and timely manner.

Section 6: The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and Section 4.

Section 7: The Finance Director is further instructed to include a detailed analysis of past and future revenues and expenses during each annual budget submission made to the Governing Board.

Section 8: Copies of this capital project shall be furnished to the City Clerk, Finance Director and City Manager for direction in carrying out this project.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this second day of November, 2017.

/s/Barbara G. Volk, Mayor

Attest: /s/Tammie K. Drake, City Clerk

Approved as to form: /s/Samuel H. Fritschner, City Attorney

J. Consideration of a Request for the Use of Berkeley Mills Park for the Mud Run

benefitting Hands On! Mr. Connet presented the request from the Hands On Children's Museum for the use of Berkeley Mills Park for the 2018 Mud Run. The event will be held on the following dates: Family Mud Fun on Friday, June 22 and the Mud Run on Saturday, June 23.

Mayor Pro Tem Caraker moved approval of the items listed on the consent agenda. A unanimous vote of the Council followed. Motion carried.

6. Recognitions:

A. Keith Kirchner – the NC Waterworks Operator’s Association 2017 A-Surface Water Treatment Plan Operator of the Year and B. Scott Chovan – the NC American Water Works Association/Water Environment Association’s Wastewater Laboratory Analyst Excellence Award: Mr. Lee Smith congratulated Keith Kirchner and Scott Chovan on these awards. He stated they are very dedicated to their jobs.

C. Amber Glisson – Award: Police Chief Herbert Blake congratulated Telecommunicator Amber Glisson for being awarded as the 2017 Communications Training Officer of the Year by the North Carolina Chapter of NENA.

D. Susan Frady – Land-of-Sky Regional Council Award: Mr. Connet stated Mrs. Frady was recognized by the Land-of-Sky Regional Council with the Robert Shepherd award.

7. Police Department Recognition for a Policy Review Process sponsored by the NC League of Municipalities’ Insurance Program: Retired Chief of Police Tom Anderson, Public Safety Risk Manager with the NC League of Municipalities, recognized Chief Herbert Blake and the Police Department for completing the Law Enforcement Risk Management Review and proactively serving the community in a professional manner while taking steps to minimize risks to our citizens and officers. Mr. Anderson also commended Tracy Cox and the officers for their commitment. **No action was required or taken by the Council.**

8. Presentation of Little Free Library Project (Senior Project): The City Council heard a presentation by Miss Emma Laughter on her Hendersonville High School senior project: Little Library. She completed a research paper on how poverty affects education. She requested permission to install two little free libraries (boxes) to provide access to children’s books at: Robinson Terrace at the baseball field and at the basketball court in Green Meadows. She had a book drive for children’s books. Mayor Pro Tem Caraker asked if the books are replenished. Ms. Laughter stated she could replenish the books if necessary. Council Member Miller commented this is popular in many cities. The Council asked Miss Laughter to communicate with Mr. Wooten to determine the best location. **There was no opposition expressed by the Council.**

9. Presentation of Audit Report: Mr. David Phillips, CPA, partner with Greene, Finney & Horton, LLP, presented the annual audit for fiscal year 2016-17 to the Council. He stated it is the City’s responsibility to maintain strong controls to avoid opportunities for fraud. He reviewed some risks of fraud. He stated the City is also responsible for preparing accurate, complete financial statements. He stated the City has received the GFOA Award for Excellence for the last 27 years. He stated the financial statements have been filed and accepted by the State with no changes.

Mr. Phillips reviewed the auditor’s responsibilities: to issue an opinion with a reasonable assurance that financial statements are materially correct. He stated the City received the best opinion that can be given: an unmodified opinion.

Mr. Phillips reported an unrestricted fund balance of the General Fund of \$4.3 million and is within the guidelines adopted by the Council: a minimum fund balance policy of 25-35 percent of budgeted expenditures.

Mr. Phillips reviewed the revenues, which reflect an increase of approximately 2 percent or \$200,000. Regarding the budget, expenditures were 3 percent more than budgeted. Expenditures from the General Fund were \$13.2 million that reflect a \$300,000 net decrease. Expenditures were approximately \$1 million under budget or 7 percent primarily in capital outlay and lower operating expenditures. Approximately \$700,000 was transferred out for future capital projects.

Enterprise funds: Mr. Phillips stated the Water and Sewer Fund experienced a decrease in fund balance of \$900,000. He reported capital asset additions of approximately \$4 million and depreciation expenses of \$100,000. The Environmental Services Fund had no change in fund balance.

Items noted:

- Total capital assets were \$99.5 million at June 30, 2017.
- Total capital asset additions of \$6.2 million which consisted mainly of land and easements - \$0.2M, Water/Sewer projects - \$3.9M, machinery and equipment and other capital assets - \$2.1M and depreciation expense of \$8.0 million.
- Construction in progress is \$1.7 million at June 30, 2017 that primarily relates to the North Main Street Sidewalk project, Old Tracey Grove Road Bridge Replacement project, and various Water/Sewer projects.
- Debt: Total long-term obligations decreased approximately \$300,000. An installment purchase contract for approximately \$600,000 was issue for a fire engine. Principle payments of \$4 million were made. The LGERS liability increased \$2.9 million. There was discussion of the LGERS pension liability.

Update: Mr. Phillips reported the City will have to record an additional liability for retiree health insurance next year.

Management Letter: Mr. Phillips reported there are no audit findings noted for Fiscal Year 2016. He stated the City made significant improvements related to the issues noted in the 2016 audit. A state single audit was required for 2017. No issues were noted on the Powell Bill program. Recommendations for consideration include: improvements to the water/sewer inventory, formally accepting donated capital assets/infrastructure by resolution, and reminding employees of the Purchasing Policy that must be followed for the City’s protection.

Mr. Phillips stated they issued an Unmodified Opinion on the financial statements. He stated the City is in good financial condition as of June 30, 2017. Mayor Volk expressed Council’s appreciation for the audit report.
No action was taken by the Council.

10. Consideration of a Resolution in Support of the Federal Historic Tax Credit Program: Mr. Lew Holloway explained this program encourages private investment in historic rehabilitation projects. Since the inception of the program in North Carolina it has driven approximately \$2.4 billion of private investment for historic rehabilitation. He stated 40 percent of the credits have been used in communities with less than 25,000 in population. The credit was not included in the Senate's budget for 17-18 which was adopted recently.

Mr. Holloway stated properties in the City’s historic districts are eligible when a project meets the various guidelines. He noted the credits play a key role in the project pro forma for the Grey Mill Hotel project. Also, the Main Street program, an economic development program based in historic preservation, considers the tax credit to be a key tool in advancing reinvestment in our historic district, helping to attract private equity to the riskier and more challenge work of rehabilitating existing historic structures for new uses.

Mr. Holloway presented a resolution for Council's consideration showing their support for the inclusion of the Federal Historic Tax Credit in the budget moving forward.

Mayor Pro Tem Caraker moved Council adopt a resolution supporting the Federal Historic Preservation Tax Credit Program. A unanimous vote of the Council followed. Motion carried.

Resolution #17-1184

Resolution Supporting the Federal Historic Preservation Tax Credit Program

- WHEREAS, the Hendersonville City Council supports the efforts of the City’s Main Street Program to advocate for utilizing downtown Hendersonville’s historic buildings as a catalyst for economic development; and
 - WHEREAS, the Hendersonville City Council recognizes that a healthy, vibrant downtown makes all of the economic development initiatives in the community easier to achieve; and
 - WHEREAS, private investors have made investments in the community by investing in older often vacant buildings; and
 - WHEREAS, the Hendersonville City Council understands the importance and wealth of historic structures that offer unique opportunities for differentiating Hendersonville from other communities; and
 - WHEREAS, Hendersonville’s Historic Districts have benefitted from large and small historic preservation tax-credit projects that have increased our tax base; and
 - WHEREAS, Federal Historic Preservation tax-credits have made otherwise unsuccessful projects a successful and beneficial part of our community.
- NOW, THEREFORE, BE IT RESOLVED that the Hendersonville City Council does hereby support the Federal Historic Preservation Tax Credit Program and the continued availability of the tax credits as a tool to spur economic

development in our Historic Districts and throughout Hendersonville and Henderson County; and urges Congress to include the Tax Credits in the proposed FY 2017/18 Federal Budget; and

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to our Federal Legislative Delegation and other partners related to historic preservation projects.

Adopted this second day of November 2017.

/s/Barbara G. Volk, Mayor

Attest: /s/Tammie K. Drake, City Clerk

11. Consideration of Board/Commission Appointments:

Environmental Sustainability Board: Council Member Smith nominated Gray Jernigan for an outside-City position on the Environmental Sustainability Board. A unanimous vote of the Council followed. Motion carried.

Downtown Advisory Committee: Mayor Pro Tem Caraker nominated Merit Wolff for a stakeholder position on the Downtown Advisory Committee. A unanimous vote of the Council followed. Motion carried.

Historic Preservation Commission: Mayor Pro Tem Caraker nominated Philip Ellis and Phillip Allen for another term on the Historic Preservation Commission. A unanimous vote of the Council followed. Motion carried.

Henderson County Water and Sewer Advisory Council: Mr. Connet stated the first meeting was very productive. He presented the application from Mr. Beddingfield to serve as the customer representative. **Council Member Smith nominated Aaron Beddingfield as the inside-City utility customer representative on this Council. A unanimous vote of the Council followed. Motion carried.**

12. Comments for Mayor and City Council Members: Mayor Pro Tem Caraker reported the Henderson County Water and Sewer meeting was positive and transparent.

Council Member Miller stated November 11 is Veterans Day and asked those present to thank a veteran for the freedoms we have.

13. Reports from Staff:

A. Surplus items to be Disposed of by GovDeals: Mr. Connet provided a report on the various surplus water/sewer equipment to be sold on GovDeals in bulk at an asking price of \$12,070.

B. Fire Department Statistical Report – Third Quarter: This report was provided by Fire Chief Joseph Vindigni.

C. Contingencies Report: Mr. Connet reported the following contingency appropriations were made:

- 1) Fund 10, \$1,387 - Insurance Claims
- 2) Fund 60, \$3,610 - Insurance Claims
- 3) Fund 60, \$11,305 - System Development Charges Study- Consulting Fees

14. New Business: There was none.

15. Closed Session: Mayor Pro Tem Caraker moved Council enter a Closed Session pursuant to NCGS143-318.11(a) (5) to establish or instruct the City's negotiating agent concerning the position to be taken by or on behalf of the City Council in negotiating the price and other material terms of a contract for the acquisition of real property by the purchase, option, exchange, or lease. The property is identified as the Grey Hosiery Mill and is proposed to be converted into a boutique hotel. A unanimous vote of the Council followed. Motion carried.

17. Adjournment: The meeting adjourned at 7:32 p.m. upon unanimous assent of the Council.

Barbara G. Volk, Mayor

Tammie K. Drake, City Clerk